

WISCONSIN'S BROWNFIELDS INITIATIVE

2006 REPORT TO THE WISCONSIN STATE LEGISLATURE



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This document contains information about certain state statutes and administrative rules but does not necessarily include all of the details found in the statutes and rules. Readers should consult the actual language of the statutes and rules to answer specific questions.

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I. Introduction

Purpose of Report. Under 292.255, Wisconsin Statutes (Wis. Stats.), the State Legislature directed the Wisconsin Department of Natural Resources (DNR), Department of Commerce (Commerce) and the Department of Administration (DOA) to “submit a report evaluating the effectiveness of this state’s efforts to remedy the contamination of, and to redevelop, brownfields...” This report meets those requirements established under 292.255, Wis. Stats.

Background. Wisconsin’s Brownfields Initiative got off the ground with the passage of the Land Recycling Act (Wisconsin Act 453) in 1994, which took initial steps to clarify the liability of lenders, municipalities and purchasers of property that may be contaminated. The goal of the new law was to provide a better understanding among brownfield stakeholders about what kind of liability and risk was at stake involving the cleanup and redevelopment of a contaminated property.

In passing Act 453, Wisconsin legislators joined many other states and the federal government in taking the first steps to create the legal and regulatory infrastructure for dealing with “brownfields.” While the actual term “brownfields” was not originally defined in Act 453, state and federal officials came to define these types of contaminated sites as commercial or industrial properties with real or perceived contamination, where that real or perceived contamination creates a barrier to the properties being investigated, cleaned up and redeveloped.

The day-to-day business of promoting the cleanup and reuse of brownfield properties is managed state-wide by a number of agencies, including:

- *Wisconsin Department of Administration (DOA)*– administration of coastal management grants for brownfield sites to various parties; also provides funding to communities for developing the economic components to comprehensive planning grants;
- *Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP)* – coordination of brownfield issues at agricultural-related contaminated properties;
- *Wisconsin Department of Commerce (Commerce)* – administration of brownfields grants and remediation tax credits to various parties; also responsible for a category of low-to-medium risk, petroleum-contaminated sites;
- *Wisconsin Department of Health and Family Services (DHFS)* – advises on environmental and public health-related issues at brownfield properties at the state and local level;
- *Wisconsin Department of Natural Resources (DNR)* – investigation and cleanup oversight of brownfields and high priority petroleum-contaminated sites; administration of brownfields grant and loans to various parties; provides liability relief in the form of assurance letters, negotiated agreements and limited insurance coverage, and coordinates Brownfields Study Group;

The Brownfield Initiative has created more momentum, more public support, and more general community cooperation than any general funding efforts in the last two decades...However you describe a brownfield, no town or city desires one in its midst and the support efforts from the Department of Commerce and the Department of Natural Resources have opened up the doors of opportunity for every community in the state to work together to remove the blight and revitalize the economy.

Lynn L. Scherbert
Supervisor - Environmental
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- *Wisconsin Department of Revenue (DOR)* – administration of Environmental Remediation Tax Incremental Districts (ERTID) and Tax Incremental Districts (TIDs) that involve redevelopment of brownfields; and
- *Wisconsin Department of Transportation (DOT)* – coordination of brownfield issues at transportation-related contaminated properties; administration of transportation-related funding for brownfield sites to various parties.

All the state agencies involved in brownfields activities work together in a cooperative partnership to promote the

cleanup and reuse of brownfields. For those agencies involved in more detailed, specific brownfield activities – for example, the coordination of DNR and Commerce brownfields grants and loans – a Memorandum of Understanding has been signed by the partnering agencies.

Subsequent enhancements to Wisconsin's Brownfields Initiative of the early 1990s came via the state's biennial budget process. The 1997-1999 State Biennial Budget broadened liability exemptions for voluntary parties and local governments, created financial incentives like the Commerce Brownfield Grants, and established the Brownfields Study Group, a state-wide advisory task force consisting of public and private parties. The 1999-2001 Biennial Budget created the DNR's Brownfields Site Assessment Grant and the Green Space and Public Facilities Grant programs. Other improvements have focused on brownfields insurance protections and tax incentives.

State Success, National Recognition. The momentum created by these legislative and policy initiatives began to bear fruit in the late 1990s. As hundreds of sites were cleaned up each year, more and more of these properties were redeveloped by public and private entities. Local government officials, developers and bankers began utilizing the suite of brownfield tools available through Wisconsin's Brownfields Initiative, creating success stories that helped spread the word.

Recognition did not stop at the borders, either. Wisconsin has become one of the country's leaders in the brownfields arena, as shown through the following examples:

- in 1998, Michigan's Consumer Renaissance Development Corporation issued a comparative analysis of state brownfields programs, ranking Wisconsin as the sixth best based on several brownfield factors, including financial and liability incentives, redevelopment climate and state oversight;
- in 2002, the International Economic Development Council and XL Environmental released the *Land Use Report*, a snapshot of national and regional redevelopment

trends, showing that Wisconsin and five other states (CA, MA, OH, PA, NY) “consistently appear at the forefront of brownfield redevelopment activity;”

- in 2003, the Center for Public Environmental Oversight and Resources For the Future, two national organizations, released a three-part study on Wisconsin’s brownfields, calling the state “one of the most innovative programs in the country;”
- in 2004, the Northeast-Midwest Institute and the National Association of Local Government Environmental Professionals released *Unlocking Brownfields: Keys to Community Revitalization*, where they recognized Wisconsin’s brownfield efforts as among the top six in the nation; the report gave credit to the Brownfields Study Group for why the state “has been on the leading edge of brownfields policy, program initiatives, and cleanups since the mid-1990s;”
- Wisconsin continues to lead the country in utilizing the federal brownfields tax incentive, which allows taxpayers to claim environmental remediation costs as deductions in the year incurred; since 1998, when the incentive became available, state brownfield practitioners have used the deduction 33 times, tops in the nation;
- in 2004, Wisconsin netted more federal brownfields funding than any other grant recipient at that time, a \$4 million award to create the “Ready For Reuse” Grant and Loan Program for brownfields cleanup; and
- Wisconsin continues to help economically disadvantaged neighborhoods jump-start their brownfield cleanups, recently receiving \$400,000 in EPA brownfields grants to assess brownfield sites in Milwaukee’s distressed 30th St. Industrial Corridor.

With regulatory infrastructure in place and a host of liability and financial incentives available, the Wisconsin Brownfields Initiative has produced a strong legacy of brownfields redevelopment successes.

II. Cooperative Efforts Highlight Brownfields Initiative

The Wisconsin Brownfields Initiative is anchored by a strong cooperative effort between state agencies, local governments and the private sector. This leadership has helped shape the direction of brownfield policy and legislation and paved the way for a number of redevelopment successes.

- Green Team Meetings – State agencies, led by the DNR, offer “Green Team Meetings” for local governments, their environmental consultants and their private brownfield partners. The goal of these meetings is to help parties understand the liability incentives and financial assistance available for the cleanup of contamination and the redevelopment of contaminated properties. Approximately 130 Green Team meetings are held each year.
- Interagency Policy Group – In order to keep the Wisconsin Brownfields Initiative as seamless and effective as possible, staff from the DNR and Commerce meet monthly to discuss all aspects of their respective brownfields programs. When necessary, staff from other agencies, such as DOA, DOR, DOT or DHFS are also invited to share current information about funding programs, site-specific projects and plans and plan conferences, publications and other outreach strategies.

- Brownfields Study Group – Created in 1998 by the State Legislature and the governor, the Brownfields Study Group’s task was to evaluate Wisconsin’s current brownfields initiatives, identify any needs in the public and private brownfields sectors, and make recommendations for additional incentives. The Study Group was initially composed of 30 individuals, representing a wide variety of brownfield public and private sectors. Since 1998, this broad coalition provided more than 100 recommendations to state agencies, the Legislature and the governor. Many of these provisions

Wisconsin is to be commended for the comprehensive approach it has developed to address the many challenges of brownfield reuse, in both large cities and small towns. The state is a national leader in terms of its focused and effective support of local brownfield efforts, offering a rich array of incentives and technical assistance to support the full cycle of brownfield revitalization, from assessment and cleanup through redevelopment.

Charles Bartsch
Vice President, ICF
[former Director of Brownfield Studies,
Northeast-Midwest Institute]
Washington, D.C.

became law thanks to this successful cooperative effort. Since that time, the Study Group has provided recommendations for every biennial budget session and continues to work on brownfield funding and policy initiatives in 2006 (for more information on the Study Group, please see pages 17 and 21).

- *Financial Resource Guide for Cleanup and Redevelopment* – Commerce and DNR have jointly prepared this publication to help people and local governments find funding for brownfields cleanup and redevelopment. The Guide was first published in 1997, and has been updated four times since then, most recently in 2006. It is one of the most popular brownfields publications produced by the DNR and Commerce, and is available in both hard copy and on the Internet (for a listing of brownfield financial resources, please see page 32).
- State-wide Conferences – The DNR, Commerce and other state agencies have periodically held joint conferences for environmental consultants, attorneys, staff, local governments and other interested parties since 1998. A few examples of these joint conferences are listed below.
 - *2005 Wisconsin Waterfront Revitalization Conference* – The Great Lakes Commission, DNR, Commerce and DOA hosted a Wisconsin Waterfront Revitalization Conference in April 2005, in Sheboygan. This conference, held at the Blue Harbor Resort (a former brownfield), focused on Wisconsin brownfield success stories and was attended by more than 190 people. Mayors, city redevelopment staff and others described the tools they are using to convert their waterfront brownfield sites into new development. The conference included panel discussions and exhibits from government, non-profit and commercial organizations with experience in waterfront revitalization.
 - *2003 UW-Madison Law Conference on Brownfields* – The DNR and the UW-Madison Law School jointly held a conference for approximately 100 people on brownfields in May 2003, in Madison. The conference covered finance and funding issues, community involvement, legal liability issues, environmental insurance products and other state, federal and local programs aimed at cleaning up and redeveloping contaminated properties.
 - *2000 No Small Change Conference* – The DNR, Commerce and the U.S. Environmental Protection Agency (EPA) held a free videoconference on seven state and federal brownfield grant programs worth \$160 million in August 2002. The videoconference was held simultaneously at 14 training locations across the state and attended by more than 250 people.



- *2000 Wisconsin Brownfields: Future Solutions Now* – In May 2000, Wisconsin state agencies held one-day brownfield public workshops in four centralized locations for individuals interested in brownfields cleanup and redevelopment, including local government officials, lenders, developers and consultants. The workshops focused on existing brownfields programs, highlighted new provisions from the 1999-2001 State Biennial Budget, and provided panel discussions on successful brownfields projects. The workshops were held in Milwaukee (May 10), Appleton (May 11), Eau Claire (May 18), and Madison (May 24).

A. Financial Assistance For Brownfields

Commerce Brownfields Grants. The Department of Commerce promotes the redevelopment of contaminated properties through the use of state funds, federal Community Development Block Grants (CDBG) and environmental remediation tax credits.

- **State Brownfield Grants** – Commerce provides grants of up to \$1.25 million to individuals, businesses and local units of government for brownfield redevelopment projects. Grant funds are often used for the environmental investigation and cleanup of the property, but they may also be used for the acquisition of the site, asbestos and lead paint abatement, building renovation, building demolition and infrastructure improvements.
- **Community Development Block Grants** – Commerce provides federal grants of up to \$500,000 to local units of government for brownfield redevelopment projects that eliminate blight within a community. Grant funds may be used to perform preliminary site assessments, environmental investigations and cleanup, asbestos and lead paint abatement, building renovation, building demolition and infrastructure improvements.
- **Environmental Remediation Tax Credits** – Commerce assists businesses performing an environmental cleanup through the allocation of tax credits. These credits may be applied towards 50 percent of the costs associated with environmental investigation and cleanup, environmental site assessments, removal of underground storage tanks and abandoned containers, asbestos abatement and building demolition.

The Department of Commerce has assisted 150 brownfield redevelopment projects since 1998. These projects have and will generate a significant economic impact in their communities, converting abandoned or under-used, environmentally contaminated properties into safe, productive sites (please see Table 1).

In addition, estimates show that financial support of these projects will result in the creation of 5,860 new full-time jobs, and increase in taxable property value of \$210 million and the environmental cleanup and reuse of 1,350 acres.

Table 1. Department of Commerce Brownfields Grants, 1998-2006
(May 2006 – Source: Commerce)

Fiscal Year	State Brownfield Grants	CDBG Brownfield Grants	Environmental Remediation Tax Credits	Total Projects Assisted	Total Amount of Assistance
1998	\$5,000,000	\$408,811	-	16	\$5,408,811
1999	\$5,000,000	\$213,225	-	13	\$5,213,225
2000	\$5,800,000	\$995,094	\$2,600,000	18	\$9,395,094
2001	\$6,400,000	\$336,750	\$710,000	21	\$7,446,750
2002	\$7,000,000	\$0	\$640,000	16	\$7,640,000
2003	\$750,000	\$2,274,500	\$0	8	\$3,024,500
2004	\$7,000,000	\$200,000	\$3,000,000	17	\$10,200,000
2005	\$7,000,000	\$684,500	\$0	24	\$7,684,500
2006	\$7,000,000	\$543,500	\$0	17	\$7,543,500
Totals	\$50,950,000	\$5,656,380	\$6,950,000	150	\$63,556,380

DNR Brownfields Site Assessment Grants. In 2000, the DNR awarded the first Brownfields Site Assessment Grant (SAG) to a local government to help prepare a brownfield property for cleanup and redevelopment. These brownfield site assessment grants provide seed money to communities for demolition, environmental assessments and removal of abandoned tanks and containers. With SAGs, local officials can eliminate the uncertainty associated with brownfield investment by investigating environmental contamination and removing dilapidated buildings or underground storage tanks.

Since 2000, the DNR has awarded \$9.9 million in 307 grants at 259 different properties, totaling more than 900 acres of land. Activities funded by SAG grants include 537 site assessments and investigations; the removal of 400 tanks, drums and other abandoned containers; and the demolition of 370 buildings or structures.

Thanks to this state-funded assistance, communities have leveraged additional public and private investment – for example, in the last round of grants awarded in April, 2006, local governments pledged more than \$1.1 million in additional funds for SAG projects, far more than the 20 percent match (i.e. \$340,000) required through the application process.

Also, nearly \$20 million in SAG grants have been requested since 2000, emphasizing the oversubscribed nature of this program for investigating and redeveloping brownfields.

Additionally, the 150 different communities that have received SAG grants reveal the widespread nature of brownfields in Wisconsin. Brownfields are located in small towns, big cities, rural areas and everywhere in between. The DNR has distributed SAG grants at every population level – in the most recent round, nearly half the grants were awarded to rural communities or counties, and approximately one third of the grants went to communities with populations of fewer than 5,000 (please see Figure 1 for the distribution of SAG grants in the state).

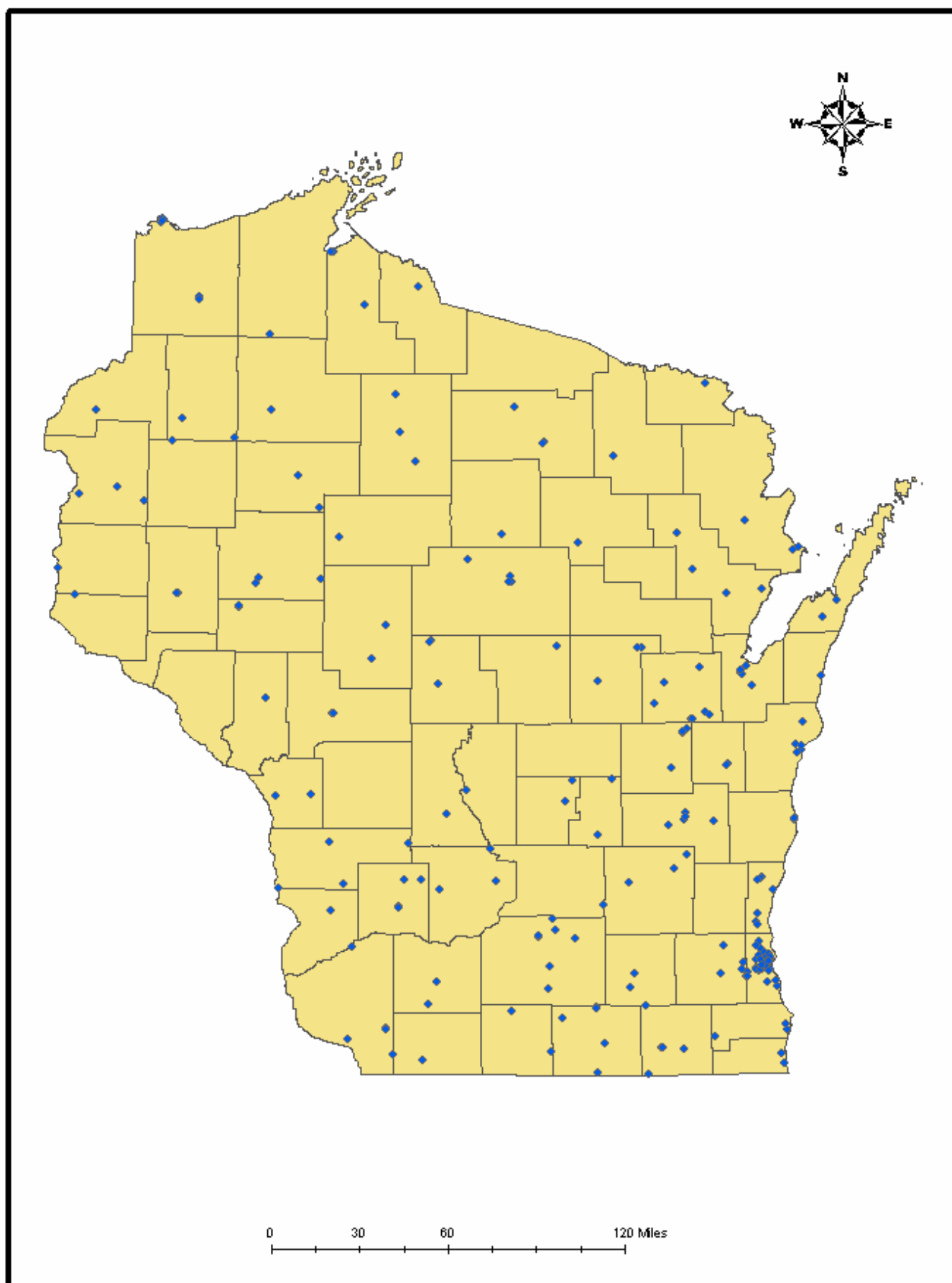


Figure 1. DNR Brownfields Site Assessment Grants in Wisconsin, 2000-2006
(May, 2006; Source – DNR)

When the SAG program was created in 2000, the DNR promulgated ch. NR 168, Wis. Adm. Code, to layout the program's requirements and procedures. In 2004, DNR revised the SAG code in response to public input and administrative issues that arose during the first few years the program was implemented. The revised rule took effect in October 2004.

Wisconsin's Brownfield Initiative has embraced reforms that make it more attractive for the private sector to invest in redeveloping blighted and contaminated properties.

The program has been very effective at adapting and evolving in a way that provides a much greater incentive to participate in the cleanup process, and that's a great outcome for everyone involved.

Scott Manley
Environmental Policy Director
Wisconsin Manufacturers & Commerce
Madison

DNR Green Space And Public Facilities Grants. Created in 2001, the DNR's Green Space and Public Facilities Grants provide a unique opportunity for local governments to clean up contaminated properties for reuse as public spaces. One of the only funding programs like it in the nation, Green Space grants help turn brownfields into green spaces, recreation areas or sites for new public buildings. Grant recipients have developed new parks and athletic fields, libraries, town halls and municipal garages, end-uses that often would not be eligible or able to compete for other brownfield cleanup dollars. Since the best reuse for some brownfields may not be commercial, industrial or residential redevelopments, Green Space grants often provide the best way to incorporate these properties into the needs and requirements of many neighborhoods.

The DNR awarded the first round of Green Space grants in 2004 – 11 grants totaling \$1 million were awarded to 10 local communities to help clean up contaminated properties for public use. These 11 properties represent nearly 200 acres of underused land, and there were more requests than available dollars – total requested funds equaled nearly \$2 million. The assistance helped fund the cleanup of contaminated land for Oshkosh's Riverside Park, sports fields for a brand new elementary school in Kenosha, Eau Claire's Phoenix Park farmer's market, a green space in Delavan's downtown Ann Street neighborhood, a new park in the Town of Geneva and six other public projects (please see Table 2 for complete listing). DNR plans to award a second round of Green Space grants in the fall of 2006.

Table 2. DNR Greenspace and Public Facilities Grants
(January 2004: Source – DNR)

Applicant	Project Name	Grant Award
City of Kenosha	Bain Elementary & Kenosha School of Language	\$84,585
Redevelopment Authority, City of Milwaukee	Menomonee River Valley, West End	\$200,000
City of Delavan	Ann Street Railroad Corridor	\$200,000
City of Oshkosh	Riverside Park	\$200,000
City of Waukesha	Hoover Park Recreational Area	4,000

Redevelopment Authority, City of Milwaukee	Garden Park	\$125,000
City of Madison	Isthmus Park	\$87,745
City of West Allis	West Allis Athletic Fields	\$18,221
City of Fond du Lac	Quick Freeze Redevelopment	\$50,000
Town of Geneva	Geneva Township Park	\$25,449
City of Eau Claire	Phoenix Park Development	\$5,000

DOA Brownfields Funded Projects. Wisconsin’s coastal areas hold countless ecological treasures and are home to numerous rural and urban communities. The DOA’s Coastal Management Program (CMP) provides grants to assist with the protection, enhancement and restoration of the state’s coastal areas, including funding for the economic components to comprehensive planning grants. More than \$1.5 million is distributed every year, with a focus on the following areas:

- land acquisition;
- habitat restoration;
- wetlands restoration;
- polluted runoff;
- coastal restoration and planning; and
- Great Lakes education.

Since 2002, DOA has awarded approximately \$950,000 in Coastal Management and other grants for eight brownfield-related projects to four communities – Waunakee, Sheboygan, Sturgeon Bay and Milwaukee (please see Table 3).

Table 3. DOA Brownfields Funded Projects
(May, 2006 – Source: DOA)

Grant	Grant Amount	Brownfield Element
2001 Waunakee Comprehensive Plan	\$12,000	Identify downtown redevelopment sites as one of the required “Economic Development” elements, including brownfields, for the city’s comprehensive plan.
2002 Sheboygan C.Reiss Coal Redevelopment	\$101,250	Clean up and redevelop a public open space as part of a larger brownfield redevelopment project.
2002 Sheboygan Lakefront Redevelopment	\$162,000	Beach restoration project that includes an eco-trail as part of a larger brownfield redevelopment project.
2002 Sturgeon Bay Land Acquisition	\$326,250	Acquire for public space a two-acre parcel that was a former brownfield.
2007 Sturgeon Bay Waterfront Walkway	\$101,000	Redevelopment of a brownfield site to extend a waterfront walkway.

2003 16 th St. Community Health Center	\$25,000	Develop and distribute sustainable design guidelines and work with property owners, developers and builders as part of Milwaukee's Menomonee River Valley brownfield redevelopment project.
2004 16 th St. Community Health Center	\$120,710	Engineering specifications and detailed site planning to treat storm water through the use of recreational open space as part of Milwaukee's Menomonee River Valley brownfield redevelopment project.
2005 Redevelopment Authority, City of Milwaukee	\$101,800	Implementation of the CMP-funded storm water management and public access plan as part of Milwaukee's Menomonee River Valley brownfield redevelopment project.

DOT Transportation Grants. Abandoned and underutilized properties and buildings were once important central locations for economic activity for many communities in Wisconsin. For the most part, the surrounding transportation infrastructure is still in place, providing the necessary transportation requirements to make these locations, once again, readily accessible to suppliers and customers.

From a transportation perspective, these abandoned buildings and properties can make use of the existing infrastructure, whether it is existing rail lines or major highways, that help businesses improve efficiency by reducing vehicle miles, trips and travel time. These locations are often centrally located near transit lines or pedestrian and biking facilities, providing more options for workers to access places of employment.

At the Wisconsin Department of Transportation, the Transportation Enhancements (TE) Program fosters more choices for travel by providing funding for sidewalks, bike lanes, and the conversion of abandoned railroad corridors into trails. Communities may also use the program to revitalize local and regional economies by restoring eligible historic buildings, renovating streets or providing funding for transportation museums and visitor centers. Enhancement projects such as streetscaping or historic preservation help with local community revitalization and promote the economic development of downtown retail and civic districts. Projects such as the rehabilitation of former rail depots and train stations are transformed into bus transfer centers, museums, restaurants and community centers.

Another DOT fund, the Transportation Economic Assistance (TEA) Program, provides rapid response grants designed to create new employment, retain existing employment, and also encourage private investment in Wisconsin. Communities can apply for TEA funds to encourage new businesses or business expansions in their regions by building such transportation improvements as access roads, highway improvements or rail spurs.

Communities have used TEA grants to assist with brownfields projects by providing street or rail access for the redevelopment of abandoned properties or buildings. For example, TEA funds were used to:

- provide funding for a new street in order to redevelop Beloit's former Iron Works facility;
- relocate a road to accommodate the expansion of a ship builder;
- help remediate and construct a new road for a motorcycle manufacturer;
- relocate and rehabilitate a rail depot in order to make room for the expansion of a new engine piston plant; and
- provide rail access to an abandoned building being converted into a new plastic food packaging plant.

For the five TEA grants involving brownfields development, there were 1,953 direct and indirect jobs created from these projects, and \$112.75 million in private investment. The indirect jobs are those jobs associated with the business but not part of the payroll, such as suppliers, service providers and shipping companies.

DNR Land Recycling Loan Program (LRLP). The LRLP began providing financial assistance in Fiscal Year (FY) 1999-2000 with a funding allocation of \$20 million. As of May 2006, the DNR has entered into LRLP financial assistance agreements for zero percent loans totaling nearly \$12.7 million, with approximately \$7.3 million remaining.

Of the \$12.7 million in agreed-to assistance, nearly \$9 million has already been provided to four municipalities for site remediation, including:

- Sheboygan – \$2,738,949 for restoration of a seawall along the Sheboygan River;
- Delavan – \$1,102,089 for cleanup of the Ann St. Corridor;
- New Richmond – \$3,223,500 for landfill remediation; and
- West Allis – \$1,713,198 for cleanup and redevelopment of the Pressed Steel/Sixpoints sites.



Department of Revenue's Environmental Remediation Tax Incremental Financing (ERTIF). Environmental Remediation Tax Incremental Financing (ERTIF) is a financing tool that local governments can use to fund brownfield cleanup projects. Similar to traditional Tax Incremental Financing, ERTIFs allow for a community to pay for project expenses through future increases in property taxes in the district. While some traditional TIF districts have been used to fund environmental cleanup, many are used for other types of economic development and infrastructure projects that do not involve brownfields.

As of June 2006, the Department of Revenue has certified 14 different ERTIF districts. The DOR certifies the base value of the ERTIF district after the DNR has approved the site investigation and remedial action plan. The ERTIF law was initially passed in 1997 and then significant statutory changes were made in 1999 (1999 Wisconsin Act 9) and again in 2006 (2005 Wisconsin Act 418) to make the tool more useful for brownfield redevelopment.

B. Cleaning Up, Closing Out Contaminated Properties

A good measure of brownfields success in Wisconsin is the cleanup of contaminated properties. From 1994-2005, the state has cleaned up or closed out more than 18,000 contaminated sites, an average of more than 1,420/year.

In addition, the DNR:

- issued 66 Certificate of Completions (COC's) to public or private parties in the voluntary cleanup process during this same time period (please see page 20 for more information);
- responded to an average of 100 requests per year for fee-based technical assistance since 1998; and
- satisfied an average of 100 requests for fee-based redevelopment assistance per year since 2000, including liability clarification letters and off-site exemption letters.

Finally, while the state only began tabulating acreage in July of 2004, more than 1,220 acres of land has been made available for reuse since that time. A listing of the types of contaminated properties in the DNR's database is located in Table 4.

Table 4. Inventory of Contaminated Properties
(2005 – Source: DNR)

Status of Properties	Non-Petroleum Sites	Petroleum Sites	Total	Notes
Known properties needing cleanup	2,593	3,025	5,618	In addition to the 5,618 sites, DNR estimates there may be at least 3,000 undiscovered brownfields properties requiring action.
New properties reported as needing investigation and/or cleanup action, annually (estimate)	200	150	350	Wisconsin law requires a causer or property owner to report historic or new hazardous substance discharges.
Old, historic landfills – i.e. known waste or disposal sites			4,000 requiring further evaluation	In addition to the 5,618 known properties needing cleanup (see first column above), this historic list needs site-by-site evaluation for action or archiving.

No further action (NFA) properties – i.e. sites that are “closed,” where all <i>known</i> contamination issues have been addressed and DNR has approved closure	3,364	15,221	18,585	Only addresses <i>known</i> problems on a site; other problems may exist that are unknown/not identified. Includes 66 properties with full liability release through voluntary cleanup Certificate of Completion process.
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C. Brownfield Innovations

Another reason why Wisconsin’s Brownfields Initiative ranks in the upper tier of state brownfield programs is due to innovations in database management, public access to information on contaminated properties, use of natural attenuation and development of area-wide cleanup and redevelopment funds.

BRRTS on the Web. The DNR uses the Bureau for Remediation and Redevelopment Tracking System (BRRTS) for housing information on more than 60,000 contaminated sites and spill actions in Wisconsin. In the late 1990s, the agency created *BRRTS on the Web*, a comprehensive, on-line searchable public record of contaminated properties and spills. As hydrogeologists in DNR’s regional offices review the investigation and cleanup activities reported by responsible parties and/or consultants, the new data is entered into this database. The public can access *BRRTS on the Web* at the following link: <http://botw.dnr.state.wi.us/botw/Welcome.do>.

Among other details, the information displayed for each property in *BRRTS on the Web* includes: 1) name of the responsible party; 2) site address; 3) type(s) of contamination; 4) cleanup milestones; 5) redevelopment assistance (e.g. grants, liability clarifications, etc.), and 6) institutional controls.

Recent improvements to *BRRTS on the Web* include completion of a search function by public land survey section (i.e. Town, Range, Section, quarter section & quarter-quarter section). The DNR has also quality-checked these locations through on-screen digitizing using Geographic Information System (GIS) technology.

The GIS Registry of Closed Remediation Sites. Often the sites in the DNR database become locations where the environmental cleanup has been completed and approved, but residual contamination still exists in soil and/or groundwater. Wisconsin, like most states, allows some levels of contamination to remain after cleanup if there are legal mechanisms to control



the use of the land. This group of contaminated sites is listed in DNR's GIS Registry of Closed Remediation Sites. The GIS Registry is an on-line map that provides users with information about the remaining contamination and any associated land use conditions. The information available through the GIS Registry includes maps, data tables, deeds, and required conditions of land use such as maintenance of soil or pavement "caps" over contamination.

RR Sites Map. The DNR has also added a new, on-line system called the RR Sites Map so users can see a GIS-based visual display of property information. The RR Sites Map is a statewide interactive map that shows both completed and continuing environmental cleanups. The system helps government officials, environmental professionals and the public find contaminated properties in Wisconsin. Contaminated sites are represented as points on a map, with each point linking to more information about the contamination in the DNR's contaminated property database. Users select whether to look at cleanups in progress, completed cleanups, or both, and can also select the area of the state they want to view.

The RR Sites Map is on the web at:
<http://dnr.wi.gov/org/aw/rr/gis/index.htm>.
A new point is placed on the RR Sites Map as soon as DNR receives the geo-location information from the responsible party. This usually occurs when the investigation of the type and extent of contamination is completed, but before the cleanup has started.

The Wisconsin DNR has a remarkably effective group of people working on the cleanup and reuse of brownfields and other contaminated sites. Wisconsin is looked upon as a model for cross-program coordination, and effective cleanup.

Jim Van der Kloot
Land Revitalization Coordinator
U.S. EPA Region V
Chicago, IL

Natural Attenuation. Natural attenuation is the reduction of contamination through natural processes. It is most often employed as a remedy for petroleum contamination from leaking underground storage tanks (LUSTs). Approximately 20,000 LUST sites have been identified in Wisconsin since the 1980s, and approximately 3,000 are still undergoing cleanup.

Prior to 1996, DNR approved contaminant cleanups (i.e. case closure) only after environmental standards had been achieved. However, due to the financial strain on the Petroleum Environmental Fund Award (PECFA) Program – the state's financial reimbursement program for LUSTs – DNR changed its rules in 1996. The change allowed case closure after natural attenuation was shown to be occurring, but before standards had been achieved. This made Wisconsin's approval process for petroleum cleanups one of the most flexible in the country.

The DNR, Commerce, the University of Wisconsin and EPA are now engaged in a study to determine whether Wisconsin's criteria for case closure using natural attenuation are adequate. One part of the study created a database of closed LUST sites to determine whether environmental sampling and interpretation had been sufficient to evaluate the success of natural attenuation. In the other part of the study, DNR re-established groundwater monitoring at 10 LUST sites where case closure had been approved based

on the prediction that natural attenuation would eventually achieve groundwater standards. The report is scheduled to be completed and available to the public in 2007.

Sustainable Urban Development Zones (SUDZ). The Legislature created this unique brownfield program in the 1999-2001 and 2001-2003 State Biennial budgets. The SUDZ program was created to allow cities the opportunity to investigate and clean up brownfields in an area-wide manner, instead of targeting brownfield properties one by one. The SUDZ Program provided financial aid to a total of seven cities identified in the legislation: Beloit, Green Bay, La Crosse, Milwaukee, Oshkosh, Platteville and Fond du Lac. The Legislature allocated a total of \$2.78 million to these cities.

D. Unique Partnerships

Brownfields Study Group. Initially created by the State Legislature for one year, the Brownfields Study Group continues to excel eight years later due to the unique partnership forged among public and private brownfield representatives. In 1998 and 2000, the Study Group issued two major reports to the State Legislature and the governor. These reports included statutory, policy and administrative recommendations – a number of those recommendations have been adopted by the Legislature and state agencies (please see page 21 for more information on the Study Group).

This success can be attributed to the following key factors.

- **Inclusive Participation** – The Study Group consists of a very broad group of public and private partners, including: state officials from DNR, Commerce, DHFS, DOT, DOR, DATCP, and DOA; local government officials such as mayors, city attorneys, development directors and county treasurers; non-profit staff representing community health organizations, manufacturing and commerce, and the environmental community; brownfield consultants and attorneys from the private sector; and professors in geography and urban and regional planning from the Wisconsin University system.

In addition, the public is welcomed and encouraged to attend any meetings and provide comments at any time. Many current, regular attendees to Study Group meetings initially attended as interested “bystanders.”

- **Non-partisan Discussion** – the Study Group steps beyond the usual boundaries of blue ribbon panels or other similar entities and succeeds through a common, shared vision of improving the process to clean up and reuse contaminated properties for the entire state.
- **Consensus is Encouraged, Dissenting Opinions Welcome** – In the Study Group’s final reports to the governor, Legislature and state agencies, recommendations were approved through a consensus process. However, if any member chose to do so, he/she could present a dissenting opinion in the reports on any issue forwarded by the group. This effort not only encouraged a sense of inclusiveness among all involved,

it also encouraged a freer and open discussion on a wide range of issues, ensuring better participation and, in the end, better decisions by the Study Group, state administration and the Legislature.

DNR Ready For Reuse Loan and Grant Program. The Wisconsin Brownfields Coalition (WBC) is another special public-private partnership, created in 2003 to provide state-wide funding support for brownfield redevelopment projects. Members of the WBC included the departments of Administration, Commerce and Natural Resources, as well as all eight Regional Planning Commissions in Wisconsin.

In 2004, the coalition was successful in securing \$4 million from the EPA's Brownfield Grant Program, the largest national grant issued by EPA that year. With DNR as the funding authority, the \$4 million was used to create the *Ready for Reuse Loan and Grant Program*, which will help Wisconsin communities clean up environmental contamination from hazardous substance or petroleum contamination at brownfields. The application review process for *Ready For Reuse* is currently underway and funding awards are expected in mid-to-late 2006.

30th Street Industrial Corridor and the Urban Reinvestment Initiative. As part of the Conserve Wisconsin plan and in recognition of the long-term effort needed to redevelop urban neighborhoods with a history of economic problems, Governor Jim Doyle last August announced the Urban Reinvestment Initiative. The first place the governor chose to kick off this strategy is the 30th Street Corridor, one in the state's most economically challenged neighborhoods.

The city of Appleton has used the DNR SAG grant program, the VPLE program and numerous proactive consultations involving brownfield sites. These programs are critical to the city's ability for redevelopment of brownfield sites within Appleton. The DNR's capacity to work with the city and our developer partners using the available programs has resulted in several successful projects, and this capacity will be necessary as we move on to new brownfield areas in need of redevelopment.

Pete Hensler
Director of Community Development
City of Appleton

The DNR has joined with the city of Milwaukee and the 30th Street Industrial Corridor Corporation (ICC) to form a partnership focused on brownfields assessment and cleanup along the Corridor. In 2005 this group obtained \$400,000 in brownfields grants from the EPA to assess properties for environmental contamination and, hopefully, jump start the cleanup and eventual redevelopment of key parcels in the corridor.

The \$400,000 is split into two separate funds – one for the assessment of sites with petroleum contamination (e.g. gas, diesel, fuel oil, etc.), and one for the assessment of sites with non-petroleum contamination – such as dry cleaning facilities, foundries or

other manufacturing operations. In the next two years, the monies will fund Phase I Environmental Assessments for up to 20 properties, and sampling for contamination at 10 or more properties.

The 30th Street Industrial Corridor is bounded by Congress Avenue on the north, Highland Boulevard on the south, 35th Street on the west and 27th Street on the east. According to the most recent census, the neighborhood unemployment rate is 19 percent, and at least 15 percent of housing units are vacant. Ninety-seven percent of residents are considered minority, with 34 percent living in poverty.

With the long history of manufacturing and other industries, contamination is also a major issue in the Corridor.



Some of the significant progress already made in the corridor includes:

- signing a cooperative agreement with EPA;
- developing and signing an intergovernmental agreement with the city of Milwaukee to utilize its pre-qualified consultants to conduct site assessments;
- informing neighborhood organizations through meetings and publications and collecting suggestions of properties for site assessments;
- establishing a web site describing the 30th Street project;
- setting up a GIS system to track changes in several economic, social and political attributes of the Corridor;
- developing a list of properties within the Corridor where Phase I and II Environmental Site Assessments (ESA's) will be conducted; and
- completing Phase I ESA's on several properties.

For more information, please see DNR's web page at: <http://dnr.wi.gov/org/aw/rr/rbrownfields/uri-30th-street.htm>.

E. Legislative Highlights

Wisconsin's Brownfields Initiative has enjoyed a fair amount of legislative success since passage of the Land Recycling Act in 1994. Highlights of that success are listed below.

- Land Recycling Act (WI Act 453) – First legislation passed to deal with brownfields, defined as abandoned, idle or underused properties where real or perceived contamination can hinder efforts at cleanup and redevelopment. Includes liability incentives for local governments and private parties to tackle contaminated properties.

- **Local Government Liability Exemption (s. 292.11, Wis. Stats.)** – Created in 1994, this provision exempts a local government from the cleanup requirements if the local government acquires a contaminated property through tax delinquency, bankruptcy proceedings, condemnation, eminent domain, escheat, for slum clearance or blight elimination, by using Stewardship funds or from another eligible local government. This exemption from liability protects a municipality, unless the spill is caused by an action taken by the municipality or failure of the municipality to take “limited actions” to prevent further spills.

The exemption has been very successful, allowing communities to take brownfields on with less risk, while providing breathing room for officials to look into cleanup options, secure grants and/or loans, as well as find interested developers and/or potential buyers.

- **Voluntary Party Liability Exemption (VPLE)** – Created in 1994, the Voluntary Party Liability Exemption, s. 292.15, Wis. Stats., allows parties to conduct an environmental investigation and cleanup of a property and then receive limits on their future liability. Implemented by the DNR, the VPLE process can help facilitate real estate transactions involving contaminated property. Once the DNR has approved the completion of cleanup activities at a property, prospective purchasers can feel comfortable knowing that the entire property has been investigated and cleaned up to the satisfaction of the DNR.



If an investigation and cleanup of a property is successfully completed and approved by the DNR, a party will receive a number of future protections from liability under Wisconsin environmental laws. After DNR determines the investigation and cleanup is complete, a party receives a Certificate of Completion (COC), which exempts the voluntary party from future liability under most provisions of s. 292, Wis. Stats., the Hazardous Substance Discharge Law (also known as the Spill Law), as well as certain other hazardous and solid waste laws. The certificate assures that no additional environmental work will be required of the party with respect to hazardous substance releases that occurred prior to the approval of the site investigation, even if in the future: (1) environmental standards change; (2) cleanup action fails; or (3) the hazardous substance contamination that was the subject of the cleanup is discovered to be more extensive than originally thought.

The Certificate of Completion also applies to future owners of the property as a successor or assignee of the voluntary party. In order to keep the liability exemption, however, the future owner must continue any required maintenance and monitoring of the property.

To date, 126 applications have been filed for a Certificate of Completion and 66 different sites have received a complete COC.

- **Brownfields Study Group** – Much of the positive momentum for Wisconsin brownfields cleanup and redevelopment can be attributed to the Study Group, itself a creation of the State Legislature and governor via the 1997-1999 State Biennial Budget. The Study Group was charged with reviewing the various state brownfield incentives and programs, identifying any gaps, and recommending legislation and policies that would close those gaps as well as provide new and enhanced financial and liability incentives. These recommendations would be forwarded to the State Legislature, governor and state agencies for possible inclusion in future budgets and legislative initiatives.

The Study Group met for most of 1998 and on January 1, 1999, submitted more than 70 recommendations. In 2000, at the request of the Legislature, the Study Group met again and provided an additional 35 recommendations for improving the state's Brownfield Initiative. Several of the Study Group's proposals became law and a few are listed below, including the DNR's Site Assessment grants and Green Space grants, and several tax incentives (for more information on the Study Group, please see page 17).

- **Commerce Brownfield Grants** – Created in 1997, the Commerce Brownfield Grants provide up to \$1.25 million in funding to individuals, businesses and local units of government for brownfield redevelopment projects (please see page seven for more information on Commerce Brownfield and other financial incentives).
- **Brownfields Site Assessment Grant Program (SAG)** – Created in 2000, this DNR program provides local governments seed money to jump-start investigations and cleanups at brownfields; since 2000 when the program began, the DNR has awarded nearly \$10 million to 150 communities for work on more than 900 acres of land (please see page eight for more SAG information).
- **Green Space and Public Facilities Grant Program** – Created in 2001, this DNR program provides funding to local governments to cleanup and redevelop brownfields for such public uses as parks, soccer fields, libraries or community markets. To date the state has awarded 11 Green Space grants to 10 communities (please see page 10 for more Green Space information).
- **Environmental Remediation Tax Incremental Financing (ERTIF)** – Initially passed in 1997, the ERTIF law is a financial tool that local governments can use to fund brownfield cleanup projects. Similar to traditional Tax Incremental Financing, ERTIF allows for a community to pay for project expenses through future increases in property taxes in the district. Significant statutory changes were made to the law in

1999 (1999 Wisconsin Act 9) and again in 2006 (2005 Wisconsin Act 418) to make the tool more useful for brownfield redevelopment. As of May, 2006, 14 ERTIF districts have been created in Wisconsin communities (for more information on the ERTIF, please see page 13).

Brownfields redevelopment creates jobs and economic development. The DNR...staff expertise has spring boarded federal funding for many Wisconsin communities to harness contaminated lands into viable parcels...My local communities and I agree that the Bureau for Remediation and Redevelopment staff involvement at the state and federal level is a critical factor in our brownfield success stories.

Wisconsin Senator Carol Roessler

- Tax Deed Liability Incentive (75.17, Wis. Stats.) – allows a municipality to acquire a contaminated property by requesting the county take the tax deed and transfer it to the local government without liability affecting either party.
- Tax Cancellation Incentive (75.105, Wis. Stats.) – allows counties or the city of Milwaukee to cancel all or a portion of the unpaid property taxes on a contaminated property in exchange for an agreement with the prospective purchaser to clean up the property.
- Foreclosure Liability Incentive (75.106, Wis. Stats.) – allows counties or the city of Milwaukee to assign property foreclosure judgments to parties interested in taking title to the property, in exchange for a clean-up agreement.

In 2006, the State Legislature recently passed four new brownfield provisions that the governor signed into law (2005 Wisconsin Act 418). These provisions include:

- Land Use Controls – the new law offers a more efficient process for creating and modifying enforceable brownfields land use controls, and should accelerate the clean-up approval process, reduce transactional costs, and function as a more user-friendly and accessible method to inform the public;
- Voluntary Party Liability Exemption (VPLE) for Certain Types of Solid Waste Facilities – in order to promote the cleanup and reuse of a greater number of brownfield properties, the law expands the VPLE protections to apply to a subset of solid waste facilities, known as “unlicensed landfills;”
- Local Government Liability Exemption for Certain Types of Solid Waste Facilities – the law exempts a local government from certain parts of the Solid Waste Law for involuntary acquisition of an unlicensed landfill; the local government would be required to prevent any unacceptable exposures to any contamination once the property was put to its intended use, and would also be required to maintain and monitor any existing monitoring or maintenance systems for the landfill; many communities that are landlocked will be able to use these properties for public purposes and green space, if not for economic development purposes; and
- the law makes a number of technical modifications to make ER TIFs more useable and more consistent with the recent changes to the Tax Incremental District (TID) statutes. These changes should result in the ER TIF being used more frequently by local governments as an economic development tool for business expansion and job creation.

F. Outreach and Public Involvement Activities

State agencies continue to meet with communities and brownfield representatives with the private sector, including the following.

Public Presentations, Meetings. From the fall of 2005 to early 2006, the DNR's brownfields staff held more than 70 meetings or gave presentations to key brownfield audiences, including local government officials, community organizations, environmental consultants and attorneys, and other interested parties. These sessions also include Green Team meetings involving other state agency staff (please see page five for more information about Green Teams).

Audiences were spread across the state, from small rural villages to major cities, and included (but were not limited to) local officials from Adams, Chippewa, Douglas, Dunn, Florence, Forest, Jackson, Juneau and Monroe counties; from the villages of Adell, Belgium, Colfax, De Soto, Elk Mound, Newburg, Oakdale and Viola; from the towns of Colby, Hamburg, Minocqua, Saukville, Thorp, Trent, and Willard; and officials from the cities of Amery, Ashland, Eau Claire, Green Bay, Janesville, Jefferson, Kaukauna, Marathon, Mauston, Milwaukee, Menasha, Oconto, Portage, Spooner, Sturgeon Bay, Two Rivers, Superior and West Bend.

Brownfields staff made additional telephone contacts to more than 70 village, towns and city officials and other stakeholders about state brownfield redevelopment tools.

Staff have also met with/presented to officials with Cedar Corporation, Chippewa Valley Environmental Forum, Groundworks Milwaukee, Milwaukee Journal-Sentinel, Milwaukee Metropolitan Sewer District, Red Cedar Council (bankers/realtors/assessors coalition), UW-Extension Monroe County, UW-Oshkosh, Wisconsin Alliance of Cities, Wisconsin Northwest Regional Planning Committee, and Minocqua-Arbor Vitae-Woodruff Area Chamber of Commerce.

Public informational meetings recently held by brownfields staff included training in September, 2005, with utility representatives and environmental consultants to consider remediation options at former manufactured gas plants; and a consultants' training day in Milwaukee in November, 2005, co-hosted with the Federation of Environmental Technologists (FET).

Internet Outreach. The DNR continues to improve one of the nation's most comprehensive web sites on environmental contamination, investigation, cleanup,



liability, redevelopment and financial aid for local government officials and environmental professionals. The agency's contaminated properties map and database continue to be among the DNR's most utilized web pages in the state, receiving close to 100,000 hits each month.

In addition, the agency distributes quarterly newsletter updates, fact sheets, news releases and other brownfield related outreach via the Internet, including:

- 20 new internet-based success stories about brownfield redevelopment, to supply time-critical outreach materials to key brownfield audiences;
- 15 electronic newsletters entitled *RR Report*;
- a new "request for services" form that provides one-stop shopping for 20 different liability and technical services from the RR Program;
- articles on waterfront revitalization and redeveloping Milwaukee's 30th Street Industrial Corridor for the *Wisconsin Great Lakes Chronicle* and the national magazine *Brownfield News*.

III. Wisconsin Brownfields Success Stories – Examples

Baraboo's Public Works Building

An old rail yard located in downtown Baraboo had been a brownfields eyesore in the community for many years. Adjacent to the world-famous Circus World Museum, the site had a long history of industrial use and contamination, including heavy metals and polychlorinated biphenyls (PCBs). After the city performed initial investigations, local officials used state grants to jump-start the cleanup and redevelopment. The city acquired the property, demolished several buildings and removed an underground storage tank. After cleanup, the city built a \$5 million public works facility on the property, which has spurred additional development in the downtown area.

Funding sources for this brownfield redevelopment included a \$30,000 DNR Brownfield Site Assessment Grant and a \$250,000 Commerce Brownfields Grant. In addition, the city also received a Local Government Liability Exemption for the property, providing city officials with the needed flexibility to forge ahead with the investigation and cleanup of the property (please see page 20 for more information about this exemption).



La Crosse's Riverside Redevelopment

The Riverside Redevelopment in La Crosse encompasses a large area and involves more than 12 different properties. Four of those properties make up the project site. Various types of soil and groundwater contamination were found on the properties, including such heavy metals as arsenic, chromium and lead. The city, working with the DNR, investigated and cleaned up the site, and in 2000 completed the new headquarters for Century Telephone Enterprises, Inc. (CenturyTel).

In addition to technical assistance from the DNR, the city also netted a \$1 million brownfields grant from the Department of Commerce. Approximately 500 service jobs were retained and 100 created in the redevelopment, creating an annual payroll estimated at \$20 million. The project's other redevelopment includes a multi-story apartment complex on the remainder of the site.



Wausau's Marathon Rubber Redevelopment

The Marathon Rubber Products factory manufactured rubber footwear and rain gear since the 1920s. The facility was closed in 1999 and left vacant for several years. Once abandoned, the facility was the site of reported break-ins and was also a public health concern due to broken glass, asbestos and soil contamination on the property. Contamination included benzene, lead and chlorinated compounds. After acquisition, the city demolished the building, excavated the contaminated soil and removed the abandoned containers and asbestos.

Since the cleanup was completed, the property has been redeveloped as a neighborhood park and also includes housing for low- to middle income families. Participating in construction were members of Wausau Fresh Start, an educational AmeriCorp program employing mostly Southeast Asian youth in construction activities. Financial assistance for this successful brownfield development included a \$100,000 DNR Brownfield Site Assessment Grant and a \$90,000 Community Development Block Grant (CDBG) from the U.S. Department of Housing and Urban Development (HUD).



De Pere's C.A. Lawton Townhouse Redevelopment

The C.A. Lawton Company, located in downtown De Pere, opened its doors in 1891 to expand its ductile and iron foundry operations. Lawton operated as a foundry until 1971, when the building was used as office space through 1990. After the site became a brownfield, city officials and a developer stepped in to clean up contaminated soil and remove leaking underground storage tanks. After extensive renovation, the building was turned into the Lawton Foundry Town Homes, containing 70 rental units with 660 to 1,800 square feet of space available in townhouse or flats. Thanks to efforts to preserve the historical aspects of the property, the \$5.5 million refurbished former foundry earned a spot on the National Registry of Historic Sites, and the value of the property increased by more than 35 percent.

In addition to a Tax Incremental Finance (TIF) District established by the city, the site also received DNR technical assistance on the cleanup and more than \$34,000 from the Petroleum Environmental Cleanup Fund Award (PECFA) Program.



Waunakee's Community Center and Senior Housing Redevelopment

Located just north of Madison, Waunakee's Stokely USA canning factory operated in the community for more than 70 years. After the company closed its doors in the 1990s, local officials saw the 14-acre site as a brownfield opportunity. Working with a private consultant and state officials, the community built senior housing units and a multi-generational community center on the former brownfield. Financial assistance for the project included:

- DNR Brownfield Site Assessment grants totaling \$160,000;
- \$625,000 Commerce Brownfields Grant;
- \$233,000 DNR Stewardship Grant;
- \$150,000 DNR Urban Non-point Source Grant; and
- two Community Development Block Grants (CDBG) totaling \$160,000.



Neenah's Shattuck Park Redevelopment

Neenah's downtown riverfront was dominated by industry, including saw mills and paper mill facilities, for more than 100 years. Today, Neenah officials are working to revitalize contaminated portions of its riverfront, developing a public-private strategy that includes providing open space for public recreation as well as office space for a growing service sector economy. After the cleanup of solid wastes, lead and other contaminants, the community's redevelopment includes a new retirement center, renovated commercial building, river walk and a multi-use concert lawn and pavilion. Total capital investment was \$36 million, 500 new jobs were created and 550 jobs were retained. Public and private funding assistance included:

- \$30,000 DNR Brownfields Site Assessment Grant;
- \$500,000 Commerce Brownfields Grant;
- \$595,000 DNR and Wisconsin Waterways Commission/Recreational Boating Fund;
- \$1.7 million Tax Incremental Finance (TIF) District funding; and
- \$1.3 million Friends of Neenah Riverwalk funding.



Milwaukee's/West Milwaukee's Journal-Sentinel Printing Facility

Two former brownfield properties comprising 43 acres make up this redeveloped site. For decades the Incryco-Babcock/Wilcox properties served as a steel tubing and metal fabrication plant, located in both the village of West Milwaukee and the city of Milwaukee. Site contamination included petroleum, lead and PCBs. After cleanup, the Milwaukee Journal-Sentinel Company built a new production facility on the site in 2002. The new redevelopment increased the property tax base by more than \$20 million, brought more than 400 service jobs to the neighborhood and kept a major local employer close to one of Wisconsin's largest urban centers. In addition, the site also provided a home for the Domestic Animal Control Commission.

Financial Assistance for this successful redevelopment included:

- \$260,000 Commerce Brownfields Grant;
- \$68,000 grant from Milwaukee County; and
- Phase I and II Environmental Site Assessments by DNR, at no cost through federal Brownfields Site Assessment Program (estimated value at \$30,000).



Eau Claire's North Barstow Street Redevelopment

The site of the new Phoenix Park and Royal Credit Union Corporate headquarters in downtown Eau Claire combines two former brownfield properties, each with a rich manufacturing history. The city of Eau Claire purchased both properties and completed the cleanup on one by removing several tons of debris and waste. The other site's manufactured gas plant contamination was remediated by Xcel Energy through demolition, excavation and off-site disposal. After completion of the cleanup, a green space with walking and biking paths along the river was developed. The site is also home to Royal Credit Union's new corporate headquarters, supporting more than 100 full-time employees.

This successful brownfield redevelopment was made possible through many funding sources, including:

- \$600,000 DNR Stewardship Grant;
- \$750,000 Commerce Brownfield Grant;
- \$100,000 DNR Brownfields Site Assessment Grant; and
- \$5,000 DNR Green Space and Public Facilities Grant.

In addition, the city created a Tax Incremental Finance District (TIF) to assist with redevelopment. The DNR also issued a general liability clarification letter to facilitate the sale of the site and the Royal Credit Union received a Certificate of Completion under the DNR's Voluntary Party Liability Exemption (VPLE) process (please see page 20 for more information on the VPLE).



Sheboygan's Harbor Centre – South Pier Project

This 40-acre former brownfield in Sheboygan is located on a peninsula at the confluence of the Sheboygan River and Lake Michigan. Since the 1880s, the property was used for furniture and toy manufacturing and for storage of coal, fertilizer, petroleum products, coke and salt. Cleanup of the contaminated soil and groundwater included soil excavation, removal of storage tanks and construction of such barriers as clay caps to protect human health. After cleanup, the property was redeveloped into a waterpark hotel, resort complex and conference center, employing more than 350 people. The city also added a riverfront promenade, educational facility and lakefront walk.

This brownfield had a wide variety of financial assistance, including more than \$12 million from the city of Sheboygan, a Tax Incremental Finance District (TIF) and more than \$4 million in grants from state and federal programs, including:

- \$262,000 DOA Coastal Management Program grant;
- \$67,500 Rotary Grant for the lakefront trail;
- \$21,333 County Stewardship Grant for riverfront promenade;
- \$135,741 DNR Stewardship and Recreation Trail Grant;
- \$2.6 million Land Recycling Loan; and
- \$1.1 million Commerce Brownfields Grant.



Oshkosh's Riverside Park Expansion Project

This former Wisconsin Public Service (WPS) site in Oshkosh served as a manufactured gas plant from the 1880s to 1946. During that time, another portion of the site was home to numerous businesses, including a furniture factory and lumber storage yard. In 2002, WPS cleanup activities included demolition of buildings, disposal of 4,000 tons of debris and excavation of underground gas holders and contaminated soils. The city purchased the property in December, 2003, and redevelopment activities on the site included expansion of an already existing city park and construction of a new amphitheatre, public art display space, pavilion and parking.

This brownfield was successfully redeveloped through several public and private funding sources, including:

- \$200,000 DNR Green Space and Public Facilities Grant;
- \$59,895 EPA Brownfield Site Assessment Grant;
- \$200,000 EPA Brownfield Cleanup Grant; and
- \$25,000 Community Development Block Grant (CDBG).



IV. Is Wisconsin's Brownfields Initiative Working?

Based on the information contained in this Report, it is clear that Wisconsin's Brownfields Initiative has achieved significant success at many levels. Examples of these achievements include:

- *properties are being cleaned up and put back into productive, economic use;*
- *brownfield redevelopments are putting properties back on the tax rolls and increasing the economic earning power of local communities through direct and indirect means;*
- *financial and liability incentives have been created and are being utilized to provide a reasonable level of assurance to public and private entities looking to reduce risk and invest in cleanup and redevelopment options;*
- *state and local officials, along with other public and private entities, have created a positive, cooperative environment for business while protecting public health and the environment; and*
- *state and local officials, along with other public and private entities, have fostered innovations and unique partnerships in the brownfields arena, including the Brownfields Study Group and the DNR's RR Sites Map.*

Within the successes outlined in this Report, however, is the additional conclusion that there remains a significant amount of work to be done regarding brownfields. Critical needs, identified below, must be addressed if Wisconsin is to continue the momentum generated from the Brownfields Initiative and remain a national model for brownfields cleanup and redevelopment.

- *Thousands of brownfield properties – in need of investigation, cleanup and redevelopment – remain, and new contaminated properties continue to be discovered every year.*
- *The Brownfields Study Group and other effective multi-stakeholder partnerships that foster brownfields redevelopment should continue.*
- *The Brownfield Initiative continues to face a long-term, high demand for funding.*
- *The Brownfield Initiative needs to ensure stable funding sources to meet grant and staffing needs.*

The Wisconsin Brownfields Initiative has demonstrated some of the most exceptional innovation, enthusiasm, and will to craft sensible policies to promote the redevelopment of brownfields that I've seen in my nearly ten years of research on contaminated land around the country. The way ideas get vetted and shaped by the interaction of different stakeholders in the crucible of the Brownfields Study Group has been a key reason why the initiatives have succeeded on the ground, in my view. To be sure, you still face a number of challenges, but the continued support of a diverse set of interests testifies to the good the program is doing.

Kris Wernstedt
Resources for the Future
Washington, D.C.

Appendix A – Brownfield Financial Resources *(from The Financial Resources Guide for Cleanup and Redevelopment)*

GRANTS & granting agencies		PLANNING FOR CLEANUP & REDEVELOPMENT	ACQUISITION OF PROPERTY	PHASE I & II ENVIRONMENTAL ASSESSMENT	UNDERGROUND STORAGE TANK REMOVAL (criteria vary)	ENVIRONMENTAL SITE INVESTIGATION	DEMOLITION (eligibility criteria vary)	ENVIRONMENTAL CLEANUP	REDEVELOPMENT OF THE PROPERTY (criteria vary)	ASBESTOS ABATEMENT (criteria vary)
1	Blight Elim. & Brownfield Redevelopment (BEBR) WI Commerce	\$	\$	\$	\$	\$	\$	\$	\$	\$
2	Brownfield Economic Development Initiative (BEDI) US HUD	\$	\$	\$	\$	\$	\$	\$	\$	\$
3	Brownfield Grants WI Commerce		\$		\$	\$	\$	\$	\$	\$
4	Brownfield Green Space and Public Facilities Grants WI DNR							\$		
5	Brownfield Site Assessment Grants (SAG) WI DNR			\$	\$	\$	\$			\$
6	Community Development Block Grants (large cities) US HUD	\$	\$	\$	\$	\$	\$	\$	\$	\$
7	Coastal Management Grant Program WI Dept. of Admin.	\$	\$				\$	\$	\$	
8	Federal Brownfield Assessment Grants US EPA	\$		\$	\$	\$				\$
9	Federal Brownfield Cleanup Grants US EPA				\$		\$	\$		\$
10	Federal Brownfield Revolving Loan Fund Grants US EPA				\$		\$	\$		\$
11	Local Transportation Enhancement Grants WI DOT		\$						\$	
12	Ready for Reuse Revolving Loan Fund Grants WI DNR				\$		\$	\$		\$
13	Stewardship Grants WI DNR		\$						\$	
14	Transportation Economic Assistance (TEA) Grants WI DOT		\$	\$	\$	\$	\$	\$	\$	\$

REIMBURSEMENT PROGRAMS		PLANNING FOR CLEANUP & REDEVELOPMENT	ACQUISITION OF PROPERTY	PHASE I & II ENVIRONMENTAL ASSESSMENT	UNDERGROUND STORAGE TANK REMOVAL (criteria vary)	ENVIRONMENTAL SITE INVESTIGATION	DEMOLITION (eligibility criteria vary)	ENVIRONMENTAL CLEANUP	REDEVELOPMENT OF THE PROPERTY	ASBESTOS ABATEMENT (criteria vary)
15	Agricultural Chemical Cleanup Program (ACCP) WI Dept. of Agriculture, Trade & Consumer Protection					\$	\$	\$		
16	Dry Cleaner Environmental Response Fund (DERF) WI DNR					\$		\$		
17	Local Government Cost Recovery Local Governmental Units				\$	\$		\$		
18	Local Government Reimbursement Program US EPA	This reimbursement program covers only costs that are associated with emergency response.								
19	Petroleum Env. Cleanup Fund Program (PECFA) WI Commerce					\$		\$		
LOANS & LOAN GUARANTEES		PLANNING FOR CLEANUP & REDEVELOPMENT	ACQUISITION OF PROPERTY	PHASE I & II ENVIRONMENTAL ASSESSMENT	UNDERGROUND STORAGE TANK REMOVAL (criteria vary)	ENVIRONMENTAL SITE INVESTIGATION	DEMOLITION (eligibility criteria vary)	ENVIRONMENTAL CLEANUP	REDEVELOPMENT OF THE PROPERTY	ASBESTOS ABATEMENT (criteria vary)
20	Land Recycling Loans WI DNR			\$	\$	\$	\$	\$		
21	Ready for Reuse Revolving Loan Fund Loans WI DNR				\$		\$	\$		\$
22	State Trust Fund Loans WI Board of Commissioners of Public Lands	\$	\$	\$	\$	\$	\$	\$	\$	\$
23	Section 108 Loan Guarantee US HUD	\$	\$	\$	\$	\$	\$	\$	\$	
24	SBA Loans US Small Business Administration		\$	\$	\$	\$		\$	\$	\$

TAX CREDITS & INCENTIVES		PLANNING FOR CLEANUP & REDEVELOPMENT	ACQUISITION OF PROPERTY	PHASE I & II ENVIRONMENTAL ASSESSMENT	UNDERGROUND STORAGE TANK REMOVAL (criteria vary)	ENVIRONMENTAL SITE INVESTIGATION	DEMOLITION (eligibility criteria vary)	ENVIRONMENTAL CLEANUP	REDEVELOPMENT OF THE PROPERTY	ASBESTOS ABATEMENT (criteria vary)
25	Agriculture Development Zone WI Department of Commerce			\$	\$	\$	\$	\$	\$	\$
26	Business Improvement Districts University of Wisconsin Extension (advice)	\$	\$	\$	\$	\$	\$	\$	\$	\$
27	Cancellation of Delinquent Taxes Local Governmental Units, WI DNR		\$							
28	Community Development Zone WI Commerce			\$	\$	\$	\$	\$	\$	\$
29	Enterprise Development Zone WI Dept. of Commerce			\$	\$	\$	\$	\$		\$
30	Env. Remediation Tax Incremental Fin. (ERTIF) WI Dept. of Rev.	\$	\$	\$	\$	\$	\$	\$		\$
31	Federal Brownfields Tax Incentive US Treasury & EPA			\$		\$	\$	\$		
32	Historic Preservation Income Tax Credits WI Historical Society				\$				\$	\$
33	New Market Tax Credits US Department of Treasury	\$	\$	\$	\$	\$	\$	\$	\$	\$
34	Reassignment of Foreclosure Local Governmental Units, WI DNR		\$							
35	Tax Incremental Financing WI Dept. of Revenue	\$	\$	\$		\$	\$	\$	\$	

Appendix B – Additional Comments

The partnership created between the state and the city of Milwaukee has produced dozens of successful brownfield projects throughout the last few years. These projects have not only improved the urban environment we live in but have generated significant increases in job creation and property tax value. Many of these benefits would never be realized without the state's assistance.

Dave Misky
Environmental Scientist, CHMM
City of Milwaukee

The Wisconsin Brownfield Initiative stands as one of the most effective public policy initiatives of the last decade. The programs, designed and spearheaded by a public/private partnership – the Brownfield Study Group – have received national attention for the combination of economic development and environmental cleanup benefits. The high degree of private investment in brownfield redevelopment, leveraged as a result of state program funding, has allowed Wisconsin to out perform more highly funded programs. The job is ongoing and the program should be permanently funded so Wisconsin retains its leadership in Brownfield redevelopment and realizes the resultant social and economic benefits.

Thomas J. Mueller
The Environmental Management Company, LLC
Cedarburg

The Wisconsin DNR has been a valuable partner in the city of Manitowoc. The brownfield initiative, in particular, has become an integral part of several redevelopment projects that involved properties impacted by the stigma of being contaminated. In one case, a former Newell Company (Mirro) site is the new home to a local company undergoing a major expansion. In a second case, an old, contaminated industrial site is being redeveloped with a Class "A" office building valued in excess of \$3 million. These programs are valuable assets for a community like Manitowoc, and we appreciate the professionalism and efficiency in which these programs were accessed.

Dave Less
City Planner
City of Manitowoc

Not only did the Greenspace grant funds help with environmental cleanup during park construction, these funds helped show the community the commitment to the project, which led to the leveraging of additional private financing and continued to strengthen the public-private partnership for the project.

Kristi Bales
Principal Planner
City of Oshkosh

As a long-time practitioner in the Brownfield Redevelopment Marketplace, I have come to the conclusion that without the existence of Wisconsin financial incentives and effective partnering between the Departments of Natural Resources and Commerce, brownfield redevelopment would not occur in effectively all of our rural downtown areas. Existing cooperation between the Departments of Commerce (Economic Development Financial Incentives) and Natural Resources (regulatory assistance/incentives and Brownfield grant funding) has created a redevelopment atmosphere in Wisconsin that will eventually be used as a model across the country.

The WDNR Remediation and Redevelopment Program, through its outreach incentives, has educated, counseled, and financially assisted many small communities in redevelopment of their decaying downtowns. Without the assistance and support of the Brownfield Initiatives offered by both the WDNR and Commerce, the Governor's Grow Wisconsin Initiative would be a pipe dream. With the agency's cooperation, our rural downtowns are undergoing a resurgence and revitalization not seen since the Depression. These agencies, and the creative and progressive minds that oversee these programs, should be held in the highest esteem by all of our Wisconsin residents.

Scott C. Wilson
Manager - Environmental Services
Ayres Associates
Madison

The old adage that "uncertainty kills deals" is a truism when dealing with brownfield sites. In representing both public and private clients in redevelopment projects, I have come to rely extensively on the "tools" now available as a part of Wisconsin's Brownfields Initiative to reduce or eliminate the uncertainty arising from environmental risks at brownfield sites. In particular, the Voluntary Party Liability Exemption Program and DNR's liability clarification authority have proved invaluable in managing those risks. A more subtle, but perhaps more significant, consequence of Wisconsin's Brownfield Initiative is the change in attitude it has engendered both at DNR and among the regulated community. Effective use of Wisconsin's brownfields "tools" inherently requires a collaborative approach in which DNR staff and the regulated community work together to solve common problems. The collaborative atmosphere which has developed in the implementation of Wisconsin's Brownfield Initiative may be one of its more significant attributes.

Tom McElligott
Quarles & Brady LLP
Milwaukee

As both an environmental consultant and a local elected official, I have directly seen the positive benefits of Wisconsin's brownfields programs. In large part because of the state's brownfield programs of the last 10 to 15 years redevelopment has blossomed, not only in downtown Milwaukee, but also all over the state including downtown La Crosse, Onalaska and many other cities, villages and towns in western Wisconsin.

Not only has the redevelopment led to increased jobs and tax base, but it has also improved the quality of life in our communities through blight elimination and the restoration of vital and vibrant downtowns and commercial corridors. Without creative and flexible thinking in state government and the private sector, this redevelopment renaissance would not have occurred.

Some of the important tools that have made this a success include Department of Commerce Brownfields Grants, Department of Natural Resources Site Assessment Grants, Environmental TIFs, DNR's VPLE program, municipality and lender liability exemptions, flexible closure regulation, GIS registry of contaminated sites, BRRs on line, liability clarification reviews and letters from the DNR, Dry Cleaner Environmental Reimbursement Fund, and DATCP's Agricultural Chemical Clean-up Program, DNR's Sustainable Urban Development Zone (SUDZ) grants and PECFA.

I applaud the state employees and elected officials who made this possible, and I urge them to continue to find innovative solutions to the problems that persist because of historical contamination that impedes the productive use of our ultimate natural resource – the land.

John C. Storlie
Town Chairman, Town of Shelby
Client Program Manager/Senior Hydrogeologist
Shaw Environmental & Infrastructure
Onalaska

The Brownfield Initiative in Neillsville helped the city form a great partnership between the state, city of Neillsville and a private entity to clean up a former foundry site. We could not have done this without the help of the Brownfields Grant. This site is now being deeded over to the city of Neillsville to be used as a city park. A local non-profit Hockey Association will be installing a rink at this location for youth hockey. This is indeed a great accomplishment.

Diane L. Murphy
Mayor
City of Neillsville